

Dennis Kucinich (D-OH), chairman of the Domestic Policy Subcommittee, and Jim Jordan (R-OH), the ranking minority member, today sent a letter to the Chairman of the Board of Governors of the Federal Reserve System (Fed), Ben Bernanke, requesting the names of recipients and the amounts of transactions between the Fed, banks and non-financial firms that have received money under the Fed's emergency stability programs. The Domestic Policy Subcommittee is a subcommittee of the House Oversight and Government Reform Committee.

Kucinich and Jordan explain in the letter: "As you know, American taxpayers have found intolerable the lack of transparency in regard to the Troubled Assets Relief Program (TARP); the Fed's interventions, which, taken together, exceed those made under the TARP, arguably pose a greater potential risk for waste, fraud, abuse and loss to the taxpayer."

The full text of the letter follows:

March 19, 2009

Mr. Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
Twentieth St. and Constitution Ave. NW
Washington, DC 20551

Dear Chairman Bernanke:

The Federal Reserve ("Fed") has frequently invoked its emergency authority under Section 13(3) of the Federal Reserve Act [1](#) to justify a number of interventions intended to stabilize credit markets. In connection with these efforts, the Fed has, for the first time in modern history, begun providing financial assistance to non-banks and non-financial firms, and has begun purchasing assets through Special Purpose Vehicles created by the Fed, as opposed to lending against them as collateral. The Fed has also expanded traditional lending beyond historical norms.

As you know, American taxpayers have found intolerable the lack of transparency in regard to the Troubled Assets Relief Program (TARP). The public has demanded, and Treasury and TARP recipients have begun, albeit slowly, to provide, greater transparency into operations of the TARP.

However, due to the Fed's unique status, little independent oversight is being conducted over the Fed's emergency interventions. Unlike other federal agencies, the Federal Reserve's monetary policy and lender of last resort functions are not subject to scrutiny from the Government Accountability Office [2](#). Apart from minimal reporting requirements contained in Section 129 of the Emergency Economic Stabilization Act of 2008, the Fed's emergency programs face only semi-annual scrutiny from Congressional committees and audit from the Inspector General of the Federal Reserve.

Nevertheless, the Fed's interventions, which, taken together, exceed those made under the TARP, arguably pose a greater potential risk for waste, fraud, abuse and loss to the taxpayer.

Therefore, we request that you provide the Subcommittee with the following information, by Fed-created facility [3](#):

- 1) The names of each party receiving Fed funds made available through the Fed-created facilities enumerated below;
- 2) Date of all transactions between Fed-created facility and named party;
- 3) The amount of each transaction;
- 4) Names of counterparties and dates and amounts of all subsequent transactions between party receiving Fed funds and their counterparties;
- 5) Current disposition of funds;
- 6) Current value of collateral, if applicable, and
- 7) Any financial gains/ losses by transaction.

The Oversight and Government Reform Committee is the principal oversight committee in the House of Representatives and has broad oversight jurisdiction as set forth in House Rule X. An attachment to this letter provides information on how to respond to the Subcommittee's request.

We request that you provide these documents as soon as possible, but in no case later than 5:00 p.m. on Friday, April 2, 2009.

Sincerely,

Dennis J. Kucinich
Chairman
Domestic Policy Subcommittee

Jim Jordan
Ranking Minority Member
Domestic Policy Subcommittee

[1] Codified at 12 U.S.C. § 343.

[2] See 31 U.S.C. § 714(b).

[3] This request covers the following Fed-created programs: Term Auction Facility, Term Securities Lending Facility, Primary Dealer Credit Facility, Term Asset-Backed Securities Loan Facility (TALF), Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility (AMLF), Commercial Paper Funding Facility (CPFF), Money Market Investor Funding Facility (MMIFF), Mortgage-Backed Securities Purchase Program, Purchase of GSE Obligations, and Swap Lines with Foreign Central Banks.